



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
Jeffrey L. Clet

SUBJECT: FIRE STATION NO. 7 UPGRADE

DATE: 06-04-04

Approved

Date

Council District: 3

REASON FOR SUPPLEMENTAL MEMO

To provide additional information obtained after bids were opened.

RECOMMENDATION

Report on bids and award of contract for the Fire Station No. 7 Upgrade Project to the low bidder, United Builders Corporation, in the amount of \$276,400, and approval of a contingency in an amount of \$ 41,460.

CEQA: Exempt, PP04-05-160.

BACKGROUND

On March 5, 2002, San José's voters passed Measure "O", "The San José 911, Fire, Police, Paramedic and Neighborhood Security Act Bond," which authorizes the City to issue up to \$159 million in General Obligations Bonds for the construction and renovation of public safety facilities. The Fire Station Upgrades appropriation provides funds for improvements to existing stations. Fire Station No. 7, located at 800 Emory Street, is the fourth fire station to be upgraded under this bond measure.

The upgrade of Fire Station No. 7 conforms to the Neighborhood Security Act Bond Measure by incorporating operational and livability efficiencies, so that it can receive the "Essential Services Facility" designation. This project will maintain fire and paramedic response times to established neighborhoods and planned developments within the City. The upgrade will expand and improve the existing kitchen, dining area and the captain's restroom. Construction is scheduled to begin in August with completion in December 2004.

ANALYSIS

Bids were opened on May 27, 2004 with the following results:

<u>Contractor</u>	<u>Base Bid</u>	<u>Variance</u> <u>Amount</u>	<u>Over/(Under)</u> <u>Percent</u>
Bp Pak (San José)	\$345,150	\$66,700	24
Engineer's Estimate	278,450	-	-
United Builders Corporation (San José)	276,400	(2,050)	(1)

The base bid submitted by United Builders Corporation, is one percent under the Engineer's Estimate. There was one Add Alternate for open patio area, which will not be awarded due to funding. Staff considers the bid reasonable for the work involved.

Council policy provides for a standard contingency of 15 percent on public works building renovation projects. The standard contingency is appropriate, and the funds budgeted for this project are sufficient to provide for the recommended contingency.

PUBLIC OUTREACH

To solicit contractors, this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects are provided to various contractor organizations and builder's exchanges.

COORDINATION

This project and memorandum have been coordinated with the Department of Planning, Building and Code Enforcement, the City Attorney's Office and the City Manager's Budget Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$276,400

2. COST OF PROJECT:

Project Delivery*	\$210,000
Construction (Base)	276,400
Contingency	<u>41,460</u>
TOTAL	\$527,860

* Project Delivery costs are higher than originally anticipated due to additional staff coordination and review costs associated with Historic Landmarks Commission requirements, re-scoping and redesign during the construction documentation phase and costs related to noise and air quality analysis for the emergency generator.

3. SOURCE OF FUNDING: 475 - Neighborhood Security Bond

4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. The proposed operating and maintenance costs of this project have been reviewed and it has been determined that the project will have no significant adverse impact on the General Fund operating budget.

BUDGET REFERENCE

Fund #	Appn #	Appn Name	RC #	Total Appn**.	Amt. For Contract	2003-2004 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
475	4548	Fire Station Upgrades	122815	\$8,025,700	\$276,400	Page 285	2/17/2004, Ord. No. 27074

**This budget reference is for the current fiscal year only. As this is a multi-year project, the total project costs will be appropriated and expended over several fiscal years.

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CEQA

Exempt, File No. PP04-05-160.

JEFFREY L. CLET

Fire Chief, Fire Department

KATY ALLEN

Director, Public Works Department

KA:ba

Attachment

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